



December 3, 2018

Members of the Committee on Health Policy  
Michigan House of Representatives  
PO Box 30014  
Lansing, MI 48909-7514

RE: Oppose Senate Bill 492 and House Bill 5367

Dear Representatives:

On behalf of hundreds of thousands of Michigan job-providers, large and small, covering every economic sector imaginable, we come together today to ask you to oppose legislation to mandate cost parity for chemotherapy treatments. Senate Bill 492 and House Bill 5367, which are currently pending before the House Committee on Health Policy, amount to government price controls and unwarranted governmental interference in private contracts.

While our respective members struggle to manage the rising cost of health care, this costly and precedential legislation will place further price pressures on small- and medium- sized businesses. Because of these increases, many employers may be forced to increase co-pays and deductibles, enter into high-deductible plans or stop offering health insurance coverage altogether.

Many legislators are unaware that oral chemotherapy drugs are already mandated in the State of Michigan and have been since 1989. Specifically, Section 3406e of the Insurance Code requires that all health insurance policies delivered, issued or renewed in the state provide coverage for all FDA-approved drugs prescribed for antineoplastic therapy and the reasonable cost of its administration. This includes both orally and intravenously administered drugs.

SB 492 takes this ill-advised and unfortunately misunderstood policy a step further by setting an arbitrary limit on the patient's portion of the cost of these drugs by "capping the copay" at \$100 per 30-day supply. These drugs regularly cost hundreds of thousands of dollars per 30-day supply and SB 492 will do nothing to change the underlying cost of the drug. Rather, the legislation shifts the remaining costs to the employer purchaser.

Michigan's employers have praised the work of this Legislature and its work to drive the economic recovery in Michigan. Our respective organizations have been proud to work along side our legislative partners on landmark legislation that have resulted in Michigan leading the Midwest in private-sector job creation, the lowest unemployment rate in decades and record-breaking per capita income growth. SB 492 and HB 5367 run counter to these efforts and place impediments on small- and medium- sized businesses; precisely when our members need to keep their foot on the gas.

We respectfully request that you and your counterparts on the House Health Policy Committee  
VOTE NO on SB 492 and HB 5367.

Sincerely,



Chuck Hadden  
President & CEO  
Michigan Manufacturers Association



Rich Studley  
CEO  
Michigan Chamber of Commerce



Rob Fowler  
President & CEO  
Small Business Association of Michigan



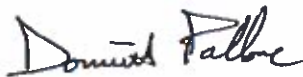
Charles Owens  
Michigan State Director  
NFIB



Rick Baker  
President & CEO  
Grand Rapids Chamber



Sandy Baruah  
President & CEO  
Detroit Regional Chamber



Dominick Pallone  
Executive Director  
Michigan Association of Health Plans